

ernment, will seek to exaggerate in some particular the prosperity of the country, and that my hon. friend opposite, speaking for the opposition, will endeavour, as he did to-day, to belittle the prosperity of the country. So, instead of judging between the two of us, I propose to give to the house the expression of a few individuals whose judgment I think should be taken by hon. gentlemen opposite as being unbiased so far at least as they are concerned. I do not think I could do better than to begin with a statement which was given to the press only a few days ago by a gentleman who formerly sat where my hon. friend is now sitting, in the leadership of his party when, however, that party was on this side of the house; I speak of Right Hon. Sir George Foster, who for a time was acting leader of a former Conservative administration. Sir George Foster, touching upon other matters in the course of an address which will be found in the *Ottawa Citizen* of February 11th, made this significant statement:

The last two years have been the richest in the history of Canada.

Those are the words of Sir George Foster, a former leader of the Conservative party, and I think they are correct.

Sitting not so very far from my hon. friend on the opposite side of the house, is the greatly respected hon. member for Mount Royal (Mr. White) who, I understand, is the owner in part of the leading Conservative organ in this Dominion. Each year the *Montreal Gazette* devotes one of its numbers to a review of the conditions throughout the country, and it retains for that purpose the leading experts on different phases of industrial and financial development. In an article dealing with the *Montreal Gazette's* annual commercial and financial review, the following pertinent observations are made on Canada's present prosperity:

It is of the highest significance that the note, throughout the review, is one of confidence, even of optimism. The general prosperity of 1928 was still in evidence during the first three quarters of 1929. The external trade of the Dominion continued to expand; the mineral and other natural resources of the country were being developed upon an ever-increasing scale and with a gratifying measure of success; the manufacturing industries, despite the disabilities under which they suffered, were at least holding their ground; carloadings indicated widespread activities in almost all lines of production, and the bank returns reflected a healthy financial condition.

Then the article goes on to make mention of two or three factors, to which I have already alluded. The article continues:

The end of the summer, it is true, brought new and less favorable conditions. The collapse of speculative values in the stock markets of Canada and the United States was a serious matter for the great army of uninformed men and women, old and young, who had risked their capital at the top of an already top-heavy movement, and the resultant losses affected, adversely, the holiday trade. At the same time, the refusal of the organized grain growers in the west to market a shrunken crop at prices prevailing overseas caused a heavy decline in the earnings of transportation companies, affected employment, and produced a feeling of uneasiness and uncertainty in western communities which materially weakened the buying power of the people west of the great lakes. More recent market developments have partially vindicated the judgment of those responsible for the temporary cessation of the grain trade, but the final outcome is something which, even now, cannot be foreseen with any degree of certainty.

Then having reviewed the conditions and having taken into account the adverse circumstances, the article goes on as follows:

All these conditions, the good and the bad, those which stimulate and those which discourage, have been considered and measured by very able economists and industrialists in the *Review* published today and there is something heartening and reassuring in the unanimity—

Mark that word.

—with which these experts express their faith in the fundamental soundness of the country's business. There has been no disposition to minimize the adverse factors mentioned above; but these factors have been viewed in the proper perspective, against a background of almost phenomenal progress and prosperity, and when so examined they cannot be included in the category of catastrophes.

That is the view which the leading Conservative journal of this country—and I am pleased to see my respected friend part owner of that journal, present—gives of conditions last year. I commend to my hon. friend the leader of the opposition the better perspective of the hon. member for Mount Royal.

Mr. WHITE (Mount Royal): I should like to correct what I think is a somewhat widespread misapprehension. I am not part owner of the *Gazette*, nor have I had, for nearly twenty years, one dollar of interest in it.

Mr. MACKENZIE KING: I can only say I am sorry for his own sake and that of the *Gazette* that my hon. friend has given up his interest, but perhaps I might mention, in order that the same weight may be given to the utterance, that my hon. friend's cousin, who is a senator, is, I think, part owner of the publication. I might ask my hon. friend whether by any chance he did not have a hand in writing the article which I have just read.